

Nov. 2, 2017

Invitation for Investment Building 2

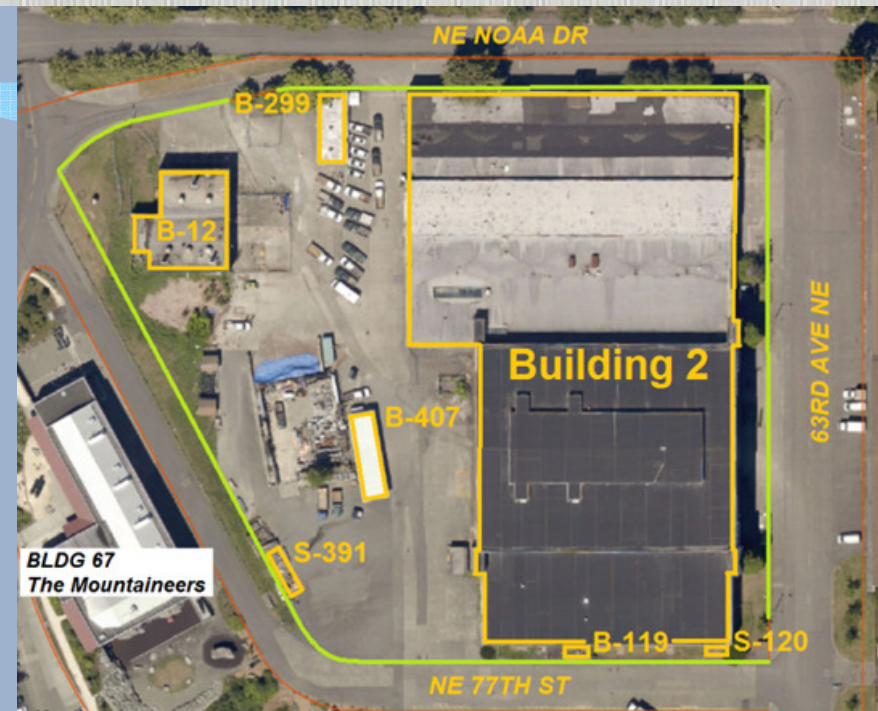
**WARREN G. MAGNUSON PARK
SEATTLE, WASHINGTON**



Seattle
Parks & Recreation

INVITATION FOR INVESTMENT AND REDEVELOPMENT

- Seattle Parks and Recreation (SPR) invites potential investment partners to explore redevelopment opportunities for Building 2 at Warren G. Magnuson Park.
- SPR previously conducted a Request for Proposal (RFP) process that yielded two finalists. However, both development plans lacked sufficient financing to move forward. Both are open and potentially interested in adding partners to their projects. For more information contact the Magnuson Park Office.
- We would like to meet with interested people and organizations willing to invest in Building 2 and explore options and possibilities for its development. **All ideas are welcome.**
- Please Note: SPR will negotiate a lease agreement for the renovation and activation of Bldg. 2. The terms and conditions require Seattle City Council authorization.



MAGNUSON PARK AMENITIES & ACTIVITIES

Magnuson Park attracts approximately 1.5 million visits annually.

<https://www.seattle.gov/parks/find/parks/magnuson-park>

**This is the dynamic location for YOUR investment plans and ideas.
Some of our current amenities include:**

Recreation

- 9 Athletic Fields, 5 all-weather, 5 lighted, 100,000-140,000 users each year
- Year-Round programming: Magnuson Community Center, Arena Sports, The Mountaineers, Sail Sand Point, Outdoors for All, Cascade Bicycle Club, Tennis Center Sand Point (10 indoor courts)
- 9-acre off-leash dog park

Arts & Culture

- 300-seat theater operated by Seattle Musical Theatre
- 21 artist studios and art gallery in Building 30
- Special Event Hangar with more than 70 event days, 70,000 participants/visitors each year

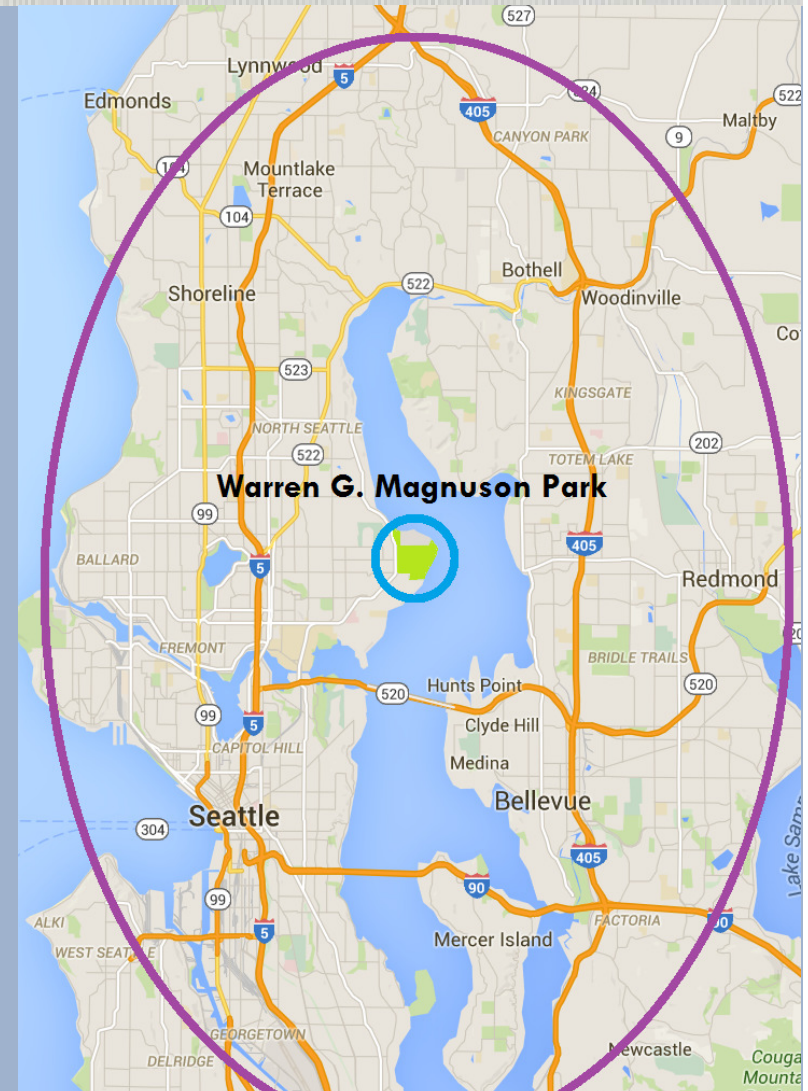
Environment

- 53-acre reconstructed wetland complex
- Headquarters: Earth Corps, The Mountaineers



PRIME REGIONAL LOCATION

- Warren G. Magnuson Park is located on the former Naval Air Station Seattle and covers more than 300 acres along the western shore of Lake Washington
- **Linked to transit:** 2.2 miles northeast from UW Link Light Rail Station & University of Washington main campus
- **Urban Connection:** 7.5 miles northeast from downtown Seattle
- **Convenient:** 21 miles northeast from Seattle-Tacoma International Airport
- **Captive Audience:** More than a million people live within 30-minute driving distance



BUILDING 2: UNIQUE AIRCRAFT HANGARS

- Former aircraft Assembly & Repair (A&R) hangar including two hangars, workshops, and offices encompassing 140,000 – 144,000 SF
- North Hangar 15,500 SF - Floor to Truss 24 FT
- South Hangar 32,500 SF - Floor to Truss 45 FT
- There are additional opportunities to redevelop adjacent structures on Building 2 parcel, including former steam plant (Building 12)



Hangar North



Building 12



Hangar South

PREVIOUS REDEVELOPMENT & INVESTMENT AT MAGNUSON PARK

Magnuson Park has a track record for successful investment and development since 1999.

\$60 million from City of Seattle

\$30 million from SPR public-private partnerships:

- The Mountaineers Headquarters (2008)
- Arena Sports & Magnuson Athletic Club (2010)
- Tennis Center Sand Point (2013)
- Cascade Bicycle Club (2014)
- Waldorf High School (2014)

\$40 Million from University of Washington & Solid Ground

Potential Development Parameters

- Contract terms negotiable
- Federal historic preservation tax credits may be available



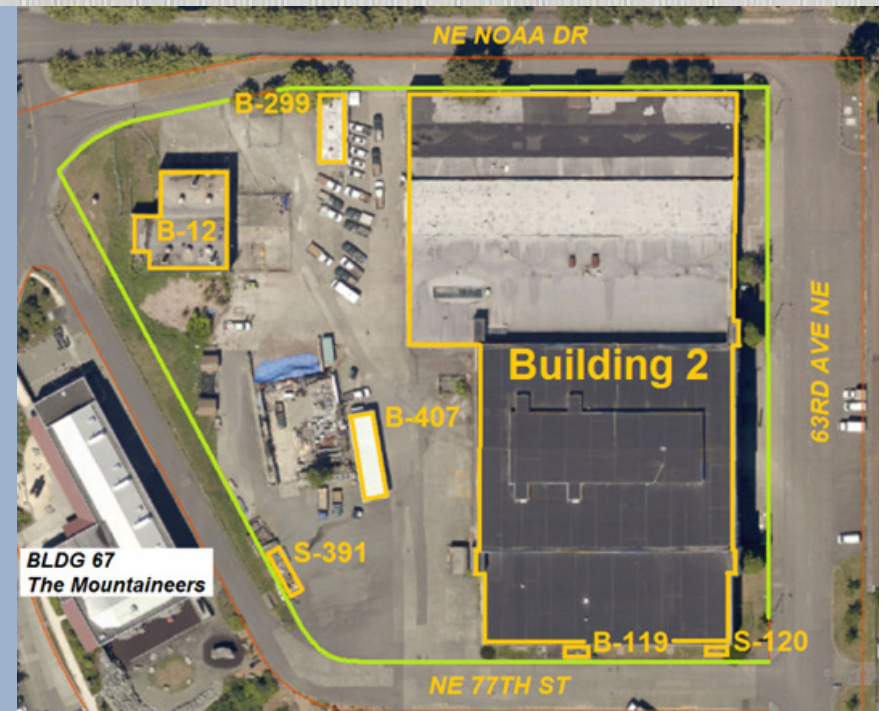
PROPOSAL REVIEW CRITERIA

Viable options for Building 2 Investment

- Potential partners envisioning investment ideas that complement the Seattle Parks and Recreation mission will be invited to further explore ideas and plans with the SPR Magnuson Park Administrative Staff.
- If these conversations are successful, SPR will ask for a financial plan that meets criteria A outlined in the following slides.
- If the financial plan proves viable, SPR will ask for a presentation to its Executive Leadership Team. If the project is selected the proposer will receive a **conditional letter of award** and will be invited to submit a full proposal that meets criteria B-F outlined in the following slides.

PROPOSAL REVIEW CRITERIA

- A. Demonstrate Ability to Finance and Complete the Project
- B. Propose Construction Timeline
- C. Identify Development Team
- D. Identify Proposed Uses & Activities
- E. Develop Stakeholder Engagement and Community Outreach Plan
- F. Negotiate Lease After Successful Proposal Selection



PROPOSAL REVIEW CRITERIA

A. Demonstrate Ability to Finance and Complete the Project

Applicants demonstrate:

- Financial capacity: Provide letter from a recognized financial institution.
- Fundraising or financing plan, including benchmarks and an exit plan if benchmarks are not met.
- Proposed use and how it aligns with SPR mission, Magnuson Park development plans.
- Intent to redevelop building for recreation, arts or cultural activities, and meeting National Park Service deed covenant.
- Preliminary public outreach showing favorable community support for the proposal.

Real estate developer or for-profit organization demonstrates:

- 10% of estimated construction cost available via liquid cash in an escrow account or line of credit.
- Successful track record in financing similar past projects.

Non-profit or institutional organization demonstrates:

- 5% of estimated construction cost via large donors, committed sponsors, a line of credit, or property ownership.
- Successful track record in financing capital improvements.
- Viability as an entity: Provide most recent three years Internal Revenue Service (IRS) Form 990, annual reports to donors from the past three years, and/or a support letter from a fiscal sponsor.

PROPOSAL REVIEW CRITERIA

B. Propose Construction Timeline

After meeting Criteria A the applicant will provide:

- Detailed financial cost estimate based on project scope/drawings for the purpose of verifying the estimates presented to SPR. The proposer may receive a rent rebate for the cost of developing these drawings if a lease is executed with SPR.
- A verifiable construction timeline and cost estimates attached to construction documents. The timeline and cost estimates will be evaluated by SPR for accuracy and completeness.

C. Identify Development Team

After meeting Criteria A-B, applicant will identify:

- Architect
- Engineer
- General Contractor (must demonstrate a commitment to working with organized labor and participating in the City's W/MBE program.)
- Project Manager
- Fundraising Team

All team members must hold relevant professional certifications and provide professional references. The construction team should demonstrate successful experience in renovating historic buildings and working with municipalities on applicable construction projects.

Fundraising team must demonstrate past success in funding comparable redevelopment projects.

PROPOSAL REVIEW CRITERIA

D. Identify Proposed Uses & Activities

Applicant to identify proposed uses for SPR review

SPR will review and evaluate:

- Proposed uses and activation of Building 2, ensuring alignment with SPR mission, Magnuson Park plans, and the Magnuson Park 2012 Strategic Plan.
- Intent to develop building for recreation, arts or cultural activities in keeping with the National Park Service covenant on the building.
- Demonstration of measurable public benefit.

E. Develop stakeholder engagement & community outreach plan

After meeting Criteria A-D, applicant will participate in Race and Social Justice Initiative (RSJI) training and/or complete the Racial Equity Toolkit.

- Develop a written plan to reach out to residences within Magnuson Park, including residents of Solid Ground and Mercy Housing.
- Develop a written plan to reach out to the neighboring community and park stakeholders will be required.

PROPOSAL REVIEW CRITERIA

F. Negotiate Lease After Successful Proposal Selection

After the applicant meets criteria A-E and is designated as the successful proposal, SPR will negotiate a lease agreement for the renovation and activation of Building 2.

The terms and conditions of a lease agreement will require Seattle City Council authorization.

Invitation for Investment Building 2

WARREN G. MAGNUSON PARK
SEATTLE, WASHINGTON

CONTACT US WITH YOUR INVESTMENT IDEAS!

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<http://www.seattle.gov/parks/about-us/do-business-with-us/current-opportunities/magnuson-park-building-2>



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